

UNITED STATES DISTRICT COURT
EASTERN DISTRICT OF CALIFORNIA

HECTOR TORRES,

Plaintiff,

v.

AMERICAN WATER WORKS
COMPANY, INC., et al.,

Defendants.

No. 2:20-cv-02241-MCE-JDP

**AMENDED MEMORANDUM AND ORDER
(NUNC PRO TUNC TO MARCH 29, 2023)**

Through the present action, Plaintiff Hector Torres (“Plaintiff” or “Torres”) seeks relief from Defendants California American Water Company and its parent, American Water Works Company, (together the “Company”) and International Union of Operating Engineers, Stationary Local Number 39, (the “Union”) (collectively “Defendants”) for wrongful discharge in breach of a labor agreement and breach of the duty of fair representation, respectively. Compl., ECF No. 1 ¶ 1. The Company terminated Plaintiff after conducting an investigation and concluding that Plaintiff had sexually harassed a junior female colleague, who was also a member of the Union. The Union initially represented Plaintiff through the grievance process but decided not to pursue the grievance through private arbitration.

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1 Presently before the Court is a Motion for Summary Judgment filed by the Company,
2 ECF No. 22, in which the Union has joined, ECF No. 24. Plaintiff timely filed an
3 Opposition. ECF No. 28. For the following reasons that Motion is GRANTED.¹

4 5 **BACKGROUND**²

6 7 **A. General Background**

8 Plaintiff was employed by the Company in a Senior Field Service Cross
9 Connection position in which he was responsible for inspecting water backflow for
10 commercial properties. During the relevant time period, Plaintiff was 49 years old, was
11 married, and had three daughters, two who were in their twenties and one who was in
12 her teens.

13 The Company also employed Ashley Stahl ("Stahl") as a Water Distribution Meter
14 Operator assigned to its Sacramento office location. In that position, Stahl was
15 responsible for replacing commercial and residential water meters. At the time of the
16 events at issue, Stahl was a 28-year-old single woman with a boyfriend. Plaintiff did not
17 supervise Stahl, but he held a more senior role than she did. The two employees were
18 familiar with each other because in Stahl's prior position as a Field Service
19 Representative, Torres would occasionally help her locate meters.

20 Both Plaintiff and Stahl were members of a collective bargaining unit exclusively
21 represented by the Union. The Union and the Company were in turn parties to a
22 collective bargaining agreement ("CBA" or "Agreement") governing the terms and
23 conditions of employment for bargaining unit employees.

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26 ¹ Because oral argument would not have been of material assistance, the Court ordered this
27 matter submitted on the briefs. E.D. Local Rule 230(g).

28 ² The following material facts are undisputed and, unless otherwise indicated, are taken, often
verbatim, from the parties' papers.

1 According to one of the Company's policies, it is "committed to a workplace in
2 which all individuals are treated with mutual respect and dignity." St. Clair Decl., ECF
3 No. 22-3, ¶ 15, ECF No. 22-4, Ex. 14 at 1. That policy further provides that:

4 [The Company] has zero tolerance for discrimination,
5 harassment or retaliation as described in this policy. This
6 means the Company will not tolerate any form of
7 discrimination, harassment or retaliation by or towards any
8 employee, vendor, customer, or other person in our workplace.
9 Also, such behaviors are not allowed at a customer location,
10 while operating a company vehicle, in public locations, or on
11 our job sites. This policy also prohibits discrimination,
12 harassment or retaliation while on Company business trips, or
13 at business related social events or at any time outside of
14 work. It is important to understand that discrimination,
15 harassment and retaliation that occurs outside of work is still
16 prohibited by this policy because it may impact the Company,
17 its reputation or its name. A guiding principle of your
18 employment with the Company is to treat everyone with
19 respect and dignity and always be professional and courteous.

20 Id. "Sexual harassment" is further defined as follows:

21 For purposes of this policy, sexual harassment includes
22 unwelcome sexual advances, requests for sexual favors, and
23 other verbal or physical conduct of a sexual or gender-based
24 nature when:

- 25 • submission to such conduct is either explicitly or implicitly
26 made a term or condition of an individual's employment; or
- 27 • submission to or rejection of such conduct is used as the
28 basis for employment decisions affecting the individual; or
- such conduct unreasonably interferes with an individual's
work performance or creates an intimidating, hostile, or
offensive working environment.

Some examples of what may constitute sexual harassment
are: threatening or taking adverse employment action, such as
discharge or demotion, if sexual favors are not granted;
demands for sexual favors, whether or not in exchange for
favorable or preferential treatment; unwelcome and repeated
flirtations, propositions or advances; unwelcome physical
contact; whistling; leering; improper gestures; offensive,
derogatory or degrading remarks; unwelcome comments
about appearance; sexual jokes or use of sexually explicit or
offensive language; gender or sex-based pranks; the display
of sexually suggestive objects or pictures in work areas; and
the communication of any of the above via any electronic
means, including via text messages or internet/social media
postings. This list of examples is not intended to be all-
inclusive.

1 Id. at 3. “Other discriminatory harassment” is defined as:

2 verbal or physical conduct that denigrates or shows hostility or
3 aversion toward an individual because of any protected
characteristic, and that:

- 4 • creates an intimidating, hostile, or offensive work
environment; or
5 • unreasonably interferes with an individual’s work
6 performance

7 Id. at 4. The Company’s policies specify that “[a]ny employee who violates or
8 circumvents [the sexual harassment policies] may be subject to disciplinary action up to
9 and including termination.” Id., Ex. 15 at 7.

10 The Company conducts training for all its employees on the prevention and
11 reporting of sexual harassment. Plaintiff acknowledges having received and reviewed all
12 of the Company’s policies, including the Workplace Conduct and Behavior Policy, and
13 Respect and Dignity in the Workplace Policy (hereinafter the “Company’s Conduct
14 Policies”). Torres also acknowledges participating in the Company’s sexual harassment
15 prevention training and Code of Ethics training.

16 **B. The Harassment Allegations in this Case**

17 On February 5, 2020, Stahl told her foreman Osvaldo Perez about an encounter
18 she had with Plaintiff. According to Perez, Stahl had advised him that on a particular
19 occasion, Plaintiff had reached into Stahl’s back pocket, taken her cell phone, looked
20 through pictures of Stahl in which she was naked or in a state of undress, refused to give
21 the phone back to Stahl, and forced her to yank it out of his hands to retrieve it. Plaintiff
22 also purportedly asked Stahl to see additional pictures the following day. Stahl did not
23 ask Perez to report this incident to management, but he nonetheless reported it to his
24 supervisor, Terry Coleman, that same day.

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1 The following day, Coleman and Christina Baril, an Operations Manager, met with
2 Stahl. According to the notes of that meeting:

3 Ashley stated that Hector "Tito" Torres and she had been
4 friendly since she had been in conservation, but noticeably
5 more when she moved to the Field Service Department. They
6 conversed as friends, and she would previously call him for
7 assistance locating meters when she was out in the field.
8 Ashley noticed that Hector's tone changed with her, and
9 became more friendly, when he found out that Ashley and her
10 previous partner had split in late February 2019. Hector would
11 make comments about Ashley's appearance such as "Oh, are
12 you wearing makeup for your boyfriend?" Ashley recalled
13 being mildly uncomfortable, but stated she just figured that
14 Hector was a "lonely guy", and she pushed it off.

15 In Summer 2019/Fall 2019, Ashley stated that Hector had
16 called her on her personal phone on a Friday (her day off)
17 around lunchtime. Ashley did not answer. The following
18 Monday morning at the office, Hector saw Ashley and stated
19 something to the effect of "I called you on Friday. Why didn't
20 you answer, I was by your house, but I didn't know if your
21 boyfriend was there." Ashley had told Hector that it wouldn't
22 have mattered if her boyfriend was there, and that Hector could
23 have stopped by, as she viewed Hector as a friend.

24 Ashley left for Hawaii on October 21st, 2019, and returned
25 roughly around October 28th, 2019. The morning of October
26 28th, after the morning meeting for the FSR/Meter Crew,
27 Ashley walked back to her truck, and passed by Hector's
28 cubicle. Ashley stated that Hector said "Hey how was Hawaii
– let me see some pictures". Ashley informed Hector that she
had posted photos on Facebook and he could see them there.
Hector then reached into Ashley's back pocket and took her
personal phone. Hector opened up Ashley's phone to see
personal private photos. Ashley tried to grab the phone from
Hector, while he was stating "let me see more, let me see
more", and trying to scroll through more pictures. She grabbed
the phone and then informed Hector "You can't do that".
Ashley stated that she had to go, and then went back to her
work vehicle. While walking to her work vehicle, Ashley spoke
with Alex Brett about the incident. Alex and Ashley
corresponded about the event via text, and Ashley believes
she remembers Alex telling her that she should report it.

On October 29th, Ashley was walking to her work vehicle in the
back, and Hector came out of the office. Hector walked over
to Ashley as she was walking to her truck, and Ashley recalled
him stating something along the lines of "I need a wake me up,
I need to see more pictures". Ashley believes she ignored
Hector or told him that she had to go to work. Ashley told her
boyfriend, Rene, that day about her interaction with Hector.
Ashley had previously told Rene about Hector, and that he had
made her uncomfortable before the incident on the 28th/29th.

1 Rene reached out to Hector on the 29th, via Facebook
2 messenger. Ashley does not know exactly what Rene said to
3 Hector, but believes that it was along the lines of Hector
4 needing to stop doing what he was doing, and that it could
5 have potentially been mildly threatening. Ashley does not
6 know if Hector received the message, nor does Rene, as Rene
7 blocked Hector after sending the correspondence. Since
8 October 29th/the message sent by Rene, Hector does not
9 speak to Ashley.

10 Ashley stated she feels uncomfortable around Hector, and if
11 he is in a room, such as the field services room, she will leave
12 if there is potential that it will be just him and her.

13 Pl.'s Ex. E, ECF No. 28-3.

14 Following this meeting, Human Resource Business Partner Kimberly Castillo
15 contacted Virginia "Gini" Russo ("Russo"), Employee Relations Business Partner, and
16 asked Russo to investigate Stahl's report. Russo began her investigation by reviewing
17 the notes Baril and Coleman had made during their meeting with Stahl and preparing
18 questions for her investigation. She then interviewed Perez, Brett, Stahl, Torres, and
19 Stephen San Nichols, the GIS Project Manager in the Company' Sacramento GIS
20 Technical Group.

21 In Russo's final investigative report, some of the details of the allegations to be
22 investigated were slightly different from those set forth in the February 6, 2020, meeting.
23 St. Clair Decl., ECF No. 22-3, ¶ 19; 22-4, Ex. 18. Russo's "Summary of Allegation"
24 section provides:

25 On 2/5/2020, Osvaldo Perez was riding with his employee,
26 Ashley Stahl. During the ride along, Stahl reported an alleged
27 Code of Ethics violation to include sexual harassment.

28 Stahl claims that on 12/06/2019, Hector Torres called her
personal phone on Friday (her day off) around lunchtime.
Stahl did not answer. The following Monday morning, Torres
saw Stahl and stated something to the effect of "I called you
on Friday. Why didn't you answer, I was by your house, but I
didn't know if your boyfriend was there." Stahl viewed Torres
as a friend and told Torres it wouldn't have mattered if her
boyfriend was there.

On 12/11/2019, Stahl claims Torres asked to see pictures of
her motorcycles. Stahl and Torres are friends on Facebook
(FB), so Torres knew Stahl liked or had motorcycles. Stahl
took out her phone to let Torres see photos. When Torres

1 scrolled through, he came across private (naked) photos of
2 Stahl. Stahl grabbed her phone and said, "you can't do that"
3 and placed her phone in her back pocket. Torres grabbed
4 Stahl's phone out of her pocket while saying "let me see more,
5 let me see more." Stahl eventually retrieved her phone and
6 said she had to go and headed off to her work truck. While
7 walking to her truck on, she spoke to her coworker Alex Brett
8 about the incident. Stahl also texted her Mom about the
9 incident. See attachment #2 & #3.

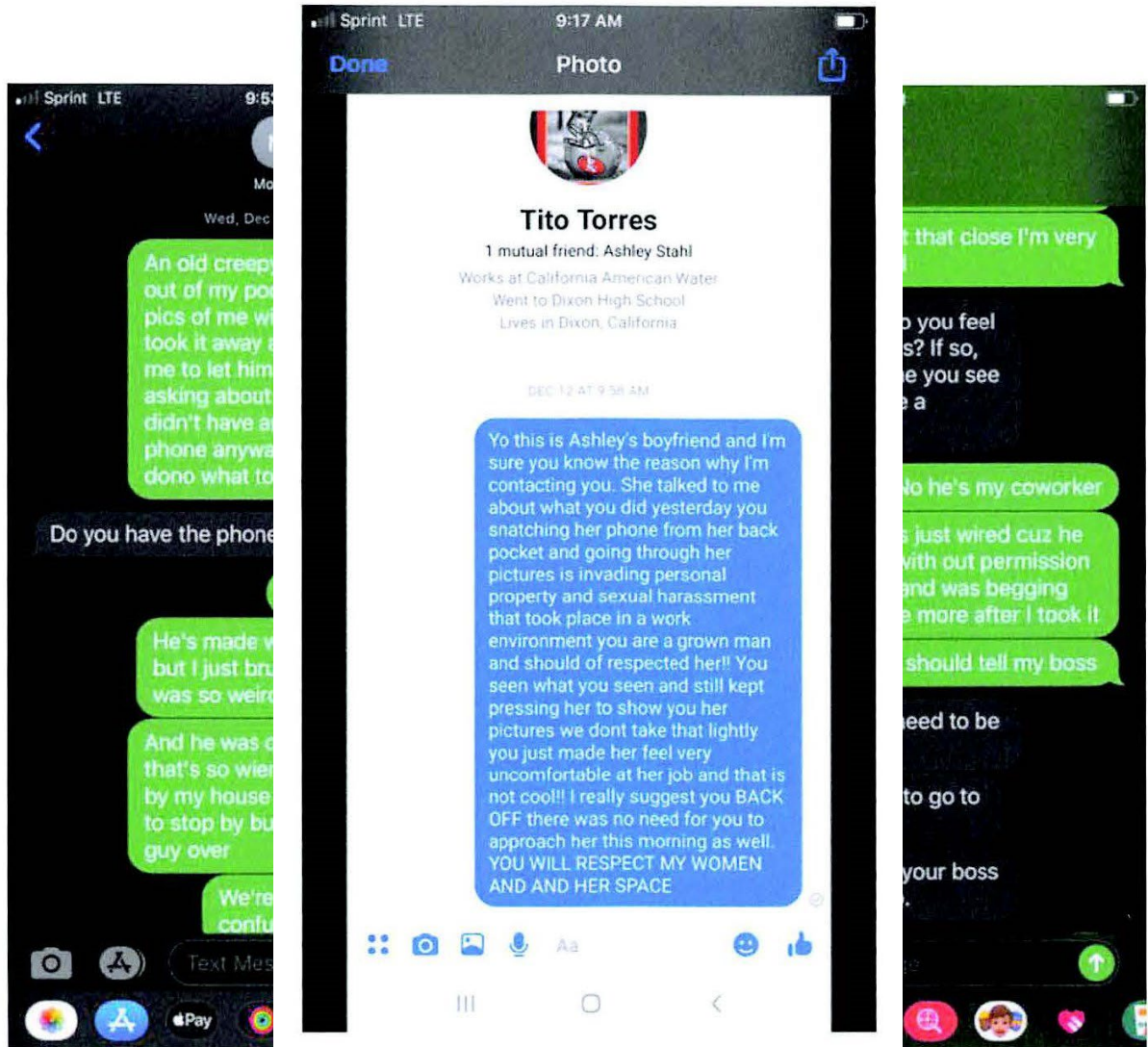
10 On 12/12/2019, Stahl says she was walking back to her work
11 truck and Torres came out of his office and said, "I need a wake
12 me up/ I need to see more pictures." Stahl believes she
13 ignored Torres or told him she had to go to work.

14 Stahl told her boyfriend about the incident that occurred on
15 12/12/2019 and he was aware that Torres had previously
16 made her uncomfortable. Stahl's boyfriend messaged Torres
17 via FB messenger and told Torres to leave Stahl alone. See
18 attachment.

19 Stahl says that Torres hasn't contacted her since 12/12/2019.
20 Stahl states she avoids potential interaction with Torres. If he
21 is in the break room, she heads the opposite way.

22 If the incident is substantiated, it violates several American
23 Water policies: Code of Ethics, Respect & Dignity in the
24 Workplace Policy and the Code of Conduct.

Id. Russo obtained copies of the text exchange between Stahl and her mother and of the message Stahl's boyfriend had sent to Plaintiff:



1 Id.

2 During Russo's interview with Stahl, she observed that "there was a discrepancy
3 in [Stahl's] original statement vers[u]s what was stated in [Stahl's] interview." Id. Russo
4 explained:

5 Stahl had her vacation dates to Hawaii confused. She initially
6 thought she took vacation in October but later confirmed it was
7 December. Her vacation dates were confirmed by Coleman,
Operations Supervisor. Stahl took vacation from 12/16/19-
12/20/19.

8 Id. Perez and Brett nonetheless corroborated the material aspects of Stahl's allegations:

9 Osvaldo Perez reported the incident. He noted Torres would
10 go out of his way to help Stahl. He said it wasn't common
11 practice for Torres to help others, especially men. Perez
12 states that Torres was overly friendly towards Stahl, and
13 everyone picked up on this. He stated that Torres could see
where Stahl parks and it seemed like Torres was constantly
going out to see Stahl. Perez said Stahl and Torres did not
have a relationship outside of work. He says that Torres no
longer talks to Stahl.

14 Alex Brett confirmed Stahl spoke with him about the incident.
15 Brett verified the incident occurred before Stahl went on
16 vacation. The motorcycle incident Stahl recounted including
17 grabbing her phone out of her back pocket was corroborated
18 by Brett. Brett confirmed Torres approached Stahl the
19 following day and said something to the effect of "I need some
20 motivation for my morning" (eluding to the photos). Brett
21 substantiated that Stahl's boyfriend sent a message to Torres
via FB messenger. Brett said Stahl and Torres did not have a
relationship outside of work. Brett said Stahl was avoiding
Torres and concerned that Torres could potentially be
promoted and worried about retaliation. Brett also stated that
he was aware of past inappropriate behavior by Torres where
he acquired female's phone numbers without their permission,
most likely through paperwork at [the Company].

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1 Id. Russo also interviewed Plaintiff.³ According to Russo, Plaintiff admitted seeing the
2 photos of Stahl, but contends he immediately returned the phone to her:

3 Hector Torres admitted to seeing private photos. However, he
4 claims there were two separate incidents. He claims that he
5 asked Stahl to see photos when she returned from vacation to
6 Hawaii. Torres said he asked to see photos of her vacation
7 and Stahl handed him the phone. Torres says when he saw
8 the naked photos, he went whoa, and handed the phone back
9 to her. Torres claims this is when he said, "Are those your
10 boyfriend's inspirational wake up photos." Torres denies
reaching into Stahl's back pocket. Torres also denies ever
receiving a message via messenger on FB. He scrolled
through his phone for Russo and Coleman to view. Torres
admits that at one point he had a conversation about
motorcycles but claims it was a different/separate time from
when he saw the private photos. Torres claims he had no
relationship with Stahl outside of work.

11 Id.⁴ Plaintiff did not offer any of his own evidence or identify any witnesses that might
12 have proffered exculpatory information on his behalf.

13 Russo next interviewed San Nichols, who provided information to Russo about an
14 alleged prior incident with a different female employee:

15 Stephen San Nichols, GIS manager, was interviewed because
16 he had a prior employee in his department complain to him
17 about Torres. San Nichols states that at one point, he
18 mentioned Torres in conversation to the former temporary
19 employee, Leticia Cardenas and she got a disgusted look on
her face. When San Nichols asked Leticia about it, she stated
that Torres kept texting her to go out. San Nichols offered to
report it to HR, but Leticia said, no, that she had handled it
herself by blocking his number.

20 Id. Finally, Stahl was interviewed again and confirmed there was one incident and it
21 occurred before she went on vacation. Id.

22 Russo ultimately concluded that Stahl's claims were substantiated and
23 recommended terminating Plaintiff:

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25 ³ Because Plaintiff was represented by the Union, he was accompanied during this interview by
26 his Union steward.

27 ⁴ According to Russo's notes of this conversation, Plaintiff did not remember calling Stahl on her
28 day off but advised that he did go by Stahl's house one time and he "just knows" where she lives. Russo
Decl., ECF No. 22-6, Ex. 2. Plaintiff notes now that Stahl was unable to provide her phone records at her
deposition and testified later that she was unsure if Plaintiff had called her.

1 The claim of alleged harassment is substantiated. Torres
2 made inappropriate actions and unwelcome comments toward
3 Stahl. Stahl's text messages to her Mom along with the
4 message on Facebook provide credibility of sexually
5 harassment. Brett verified that the incidents took place before
6 Ashley went on vacation as do the text messages and
7 Facebook message. This suggests that Torres is falsifying the
8 truth about when the incident occurred and about there being
9 two separate events. Brett confirmed Ashley's claim that
10 Torres took the phone out of her back pocket. Brett also
11 corroborated that Torres approached Stahl when she was
12 walking to her truck and made a statement like "I need some
13 motivation for my morning" which Brett says was eluding to the
14 photos. The witnesses also support the idea that Torres was
15 "overly friendly" and "went out of his way" to speak with Ashley.

16

17 Recommend termination of Torres' employment due to his
18 violation of the Company's Respect and Dignity in the
19 Workplace Policy and Code of Ethics.

20 Id.

21 Russo's report was forwarded to Stephen "Audie" Foster, Director of Northern
22 Operations for California American Water Company, who reviewed and considered its
23 findings and made the decision to terminate Torres' employment because Torres
24 violated the Company's sexual harassment policy and "[c]reated an environment for a
25 fellow employee that made them u[n]comfortable in the workplace and that rose to the
26 levels of sexual harassment." Id. ¶ 6, Ex. 5 (Foster Depo. 8:24-9:2, 12:22-24, 14:6-8,
27 18:19-21).

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C. The CBA and the Union's Grievance Contesting Plaintiff's Termination

The CBA sets forth the rights of the Company to manage their business as follows:

The Company has and will retain the exclusive right and power to manage its business and direct the working forces, including the right to hire, classify, grade, suspend, reassign, lay-off, discharge, promote, demote or transfer its employees, provided it does not conflict with the provisions of this Agreement. Nothing in this Agreement is intended to or is to be construed in any way to interfere with the recognized prerogative of the Company to manage and control the business, but each employee covered by this Agreement shall possess the right to appeal through the grievance and arbitration procedures as provided by the terms of this Agreement.

Id., ¶ 14, Ex. 13. The CBA does not contain any provisions explicitly granting employees just or good cause protections from discipline or discharge. It seemed to be a common understanding, however, that employment could only be terminated for "just cause" or "good cause." See, e.g., Pl.'s Exhibits, ECF No. 28-4, Ex. J at 13:19-14:6; Ex. K; Ex. M at 26:21-27:10; Ex. N; Ex. T at 4:11-15, 19:17-20:06.

Article 5 of the CBA sets forth a grievance procedure available to resolve differences "between the parties to [the] Agreement regarding the interpretation or application of any of the terms contained herein or discipline of any employee covered by this Agreement" Id., ¶ 14, Ex. 13. The Grievance Procedure consists of three steps. Steps One and Two involve presentation of a written grievance to varying levels of management for discussion to determine whether the matter can be resolved. Id. The final step, Step Three, provides for a Board of Adjustment ("BOA" or "Board") consisting of two representatives from both the Company and the Union. The BOA reviews relevant documents, hears presentations from the Company and the Union, discusses the matter amongst the members and renders a decision on whether, in the case of discipline, the Company's decision should be confirmed or modified. The CBA then provides that:

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1 A decision of the Board must be made within ten (10) days of
2 the close of its meeting. Should the Board be unable to arrive
3 at a majority decision within these ten (10) days, then a fifth,
4 disinterested member shall be chosen by the Board within
5 fifteen (15) days of the close of its meeting, and the majority
6 decision, which shall be reached within fifteen (15) days of the
7 appointment of the fifth member, shall be final and binding
8 upon the parties.

9 If the Board is unable to agree upon a fifth member within the
10 specified time, then the entire dispute shall be submitted to
11 arbitration under the Voluntary Labor Arbitration rules in effect
12 with the American Arbitration Association (AAA). Written
13 submission to AAA, plus a copy to the other party, must be
14 made within twenty (20) days of the close of the Board's
15 meeting. The decision of the arbitrator shall be final and
16 binding upon the parties. The arbitrator shall have the power
17 to interpret the provisions of this Agreement, but shall not have
18 the power to add to or subtract from this Agreement, nor to
19 suspend, amend, or change any provision of this Agreement,
20 nor to imply an obligation upon either party not set forth in an
21 express provision of this Agreement. The arbitrator may not
22 make an award retroactive beyond fifteen (15) days prior to the
23 date the grievance was submitted at Step One.

24 Id.

25 On February 25, 2020, pursuant to the terms of the CBA, the Union timely filed a
26 grievance on Torres' behalf claiming that he was terminated without cause and
27 requesting that the Company reinstate him. The Union also requested the appointment
28 of a BOA.

On March 3, 2020, the Company denied Torres' grievance, stating that it had
terminated Torres for his violation of the Company's Conduct Policies. The Company
informed the Union. Torres requested that the Union further dispute the Company's
decision. On March 12, 2020, Eddie Ramirez, Business Representative for Local 39,
requested a BOA to determine whether the employer's termination decision should be
reversed. Ramirez requested a legal opinion from Gary Provencher, a Union lawyer who
had represented the Union for many years. Specifically, Ramirez asked Provencher to
opine on whether, "[i]n the event the BOA does not come to a favorable conclusion,
would there be a chance to prevail in arbitration?"

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1 The BOA took place virtually on April 14, 2020, and lasted one to two hours. The
2 Union appointed Business Representatives Brandy Johnson and Joe Klein to serve as
3 its representatives on the BOA, whereas the Company appointed Brian McCord, Director
4 of Health & Safety, and Evan Jacobs, Director of Government Affairs. The BOA meeting
5 started with Foster presenting the Company's case and advocating that the termination
6 stand. Ramirez then presented the Union's case advocating reversal of the Company's
7 decision and for Plaintiff's reinstatement. Plaintiff and Russo were both present during
8 the BOA to answer any questions from the BOA members. After the presentations,
9 Plaintiff, Ramirez, Foster, and Russo then left the meeting, and the BOA members
10 began their deliberations. The Union representatives "vehemently" advocated for
11 Torres. The Company representatives argued that Torres' statements were inconsistent
12 with the facts whereas Stahl's statements were supported by contemporaneous
13 evidence. The Union's representatives voted to reinstate Torres, the Company
14 disagreed, and the BOA ended in a deadlock. Ramirez told Plaintiff that the BOA had
15 not reversed his termination and that he would speak to the Union's lawyer about next
16 steps.

17 On May 6, 2020, Provencher provided the Union with his legal opinion:

18 [I]t is my opinion the Union would not be successful in
19 arbitrating this matter because, as explained below, Mr.
20 Torres' version of the events is simply not possible.
21 Consequently, if arbitrated an arbitrator would almost certainly
22 credit Ms. Stahl's testimony over Mr. Torres and uphold the
23 termination.

24 The employer alleges that Mr. Torres asked to see pictures of
25 a motorcycle on Ms. Stahl's phone in December 2019. When
26 Ms. Stahl pulled out her phone, the employer alleges that Mr.
27 Torres grabbed the phone and began scrolling through her
28 pictures. While doing so, Mr. Torres came across sexually
explicit photos of Ms. Stahl. Ms. Stahl then grabbed her phone
from Mr. Torres and put it in her pocket. Mr. Torres then
grabbed the phone out of her pocket and said words to the
effect of "let me see more." Ms. Stahl took her phone back
from Mr. Torres. Ms. Stahl then spoke to her co-worker Alex
Brett about the incident on the day it occurred and she text
messed her mother about the incident the same day. The
next day, Stahl alleges that Mr. Torres stated to her, "I need a
wake me up. I need to see more pictures."

1 Mr. Torres acknowledges that he did come across sexually
2 oriented photos of Ms. Stahl on her phone, but the incident
3 occurred while Ms. Stahl was showing him photos of her
4 vacation to Hawaii. However, this is impossible because Ms.
5 Stahl had not gone on vacation to Hawaii at the time of the
6 incident. In the documents I reviewed with the legal request is
7 a text conversation between Ms. Stahl and her mother on
8 December 11, 2019 discussing a co-worker taking her phone
9 without her permission and looking at naked pictures of her. I
10 have also reviewed a copy of Ms. Stahl's holiday and vacation
11 records. According to those records, Ms. Stahl began her
12 vacation on Monday, December 16 and returned the following
13 week. Thus, Ms. Stahl could not have been showing Mr.
14 Torres pictures of Ms. Stahl's Hawaii vacation on December
15 11, because Ms. Stahl did not go on vacation until the following
16 week. Additionally, in the December 11 email exchange with
17 her mother, Ms. Stahl mentions motorcycles and pictures, but
18 makes no mention of Hawaii.

19 In summary, if arbitrated, Mr. Torres will not be a credible
20 witness for the reasons explained above. Moreover, it does
21 not appear that he has anybody that witnessed the incident
22 that will testify on his behalf. On the other hand, Ms. Stahl
23 does have text messages to her mother on December 11, the
24 day the incident allegedly occurred, discussing the incident.
25 She also spoke to a co-worker about the incident on the day it
26 occurred. Thus, an arbitrator will certainly find that the incident
27 occurred on December 11. The employer will also introduce
28 vacation records showing that Ms. Stahl began vacation on
December 16, the week after the alleged incident. Therefore,
an arbitrator would conclude that it was impossible for Ms.
Stahl to be showing Mr. Torres pictures of her vacation when
the incident occurred, as stated by Mr. Torres, because Ms.
Stahl had not been on vacation at the time the incident
occurred. Accordingly, an arbitrator will almost certainly find
against Mr. Torres and uphold the termination.

Id., ¶ 26, Ex. 25.

20 Ramirez thereafter verbally informed Torres that the Union would not be moving
21 forward with his grievance. According to the Union, this conversation occurred on May
22 7, 2020. Plaintiff, however, remembers having the conversation during the week of his
23 wife's birthday, which is June 2. He thus believes this conversation occurred during the
24 last week of May or the first week of June. In any event, no fifth BOA member was
25 selected, and the Union did not submit the case to arbitration. Union counsel testified
26 that he was not aware of any instance where the Company or the Union has ever
27 selected a fifth disinterested BOA member to resolve a grievance.
28

1 More specifically, Provencher testified in this case regarding the parties' past
2 practices with regard to arbitration under the CBA:

3 Q. Right.

4 In your experience as a union attorney, it's not uncommon, is
5 it, for the parties to have ways of dealing with each other that
6 might not be spelled out like a statute, for example, that
[Plaintiff's counsel] may be more familiar with, employment
statutes and laws, etc.?

7 In other words, there's a law of the shop that kind of develops
8 around Collective Bargaining Agreements between the
parties?

9 A. Yeah.

10 That's called "past practices," and there's lots of past practices
11 that are not necessarily consistent with the MOU that
employers and parties operate under.

12 Q. Okay. And in regards to this particular contract, I think I
13 heard Mr. Florence say yesterday that it's not always the case
14 that a split Board of Adjustment goes and finds an independent
Board member.

15 A. Are you asking if that's -- if I have that same understanding?

16 Q. Yes.

17 Do you have the same -- in other words, [Plaintiff's counsel's]
18 contention is that because it says the "Board shall" that in all
cases, that must be what happens?

19 A. No, that's -- that's absolutely incorrect.

20 So I think your question was: Is it common, when you have
21 these -- is it common that you don't have a fifth, disinterested
or some -- I'm sorry.

22

23 Q. Do you share Mr. Florence's understanding that the Board
24 of Adjustment, when it splits, does not always appoint a fifth
member --

25

26 A. Yes, I absolutely agree with Mr. Florence, and in fact, I will
just say this.

27 I've done hundreds of legal opinions.

28 I've done over 100 arbitrations.

1 I have never seen a Board of Adjustment tie and then go to
2 somebody else -- and grab someone else and say, "This is an
impartial."

3 This is a weird provision in -- to even have in a contract.

4 Q. Right.

5 A. I'm unaware that American Water and the union have ever
6 selected a fifth, disinterested; I don't believe they do.

7 I believe what they do is -- that the next step in this is if the
8 Board is unable to agree on a fifth, then the entire dispute shall
be submitted to arbitration under the Voluntary Arbitration
Rules; so then it would go to arbitration.

9 But even then, the entire dispute "shall be" -- so I know I'm kind
10 of giving a narrative on this, but I need to be clear.

11 That "five days" really means nothing to me, and the next thing
is that it "shall be" submitted.

12 So that is the type of language that we see in a normal MOU
13 usually, is that it shall be submitted; right?

14 Q. Okay.

15 A. That doesn't mean that the union has to submit every
grievance to arbitration.

16 Q. Okay.

17 A. This "shall" is the employer and the union agree that if union
18 wants to keep going through the process, this is how the
process is.

19 But once they do that Board of Adjustment, they have the right
20 to go to their attorney, their Legal Department, and say: Should
we move on any further?

21 If they make the decision to move on further, then the employer
22 has to move on with them, but the union absolutely has the
right to stop in the grievance process any time it finds that its
23 grievance does not have merit.

24 That's exactly what they did in this contract, and that's exactly
how it works everywhere I've been . . .

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1 Q. Right, okay.

2 In that regard, [Plaintiff's counsel] or Plaintiff has suggested, I
3 think, in the Answers to Interrogatories and in the complaint
4 itself, that although the employer was the decision maker, that
5 it, the employer, was obligated, when the union didn't pursue
6 arbitration, to go itself and engage with AAA to have an
7 arbitration about whether it made the right decision.

8 Have you ever, in your years of practicing labor law,
9 understood or seen anything like that or heard of anything like
10 that?

11 A. Well, like I said, I don't select arbitrators; the Arbitration
12 Department does that.

13 But I do receive letters saying that -- you know from the
14 Arbitration Department, saying: We're selecting arbitrators.

15 I can't recall ever seeing an arbitration request from an
16 employer; it's --

17 Q. Right.

18 A. -- always from the union.

19

20 Q. And it's your understanding of the law, rather, the duty of
21 fair representation, that the union has the -- has the right to
22 exercise that discretion, because it does represent the whole
23 as opposed to individuals, to decide how to allocate the union's
24 resources on any particular grievance matter; correct?

25 A. Absolutely.

26 They have a duty to spend them in a way that is thinking about
27 the whole membership.

28 Q. Right.

And without disclosing any privilege, it appears that the union
made that judgment -- made a judgment here?

A. They sought my advice and agreed with my judgment.

. . . .

Q. If you could look at Exhibit 5, the Collective Bargaining
Agreement applicable to Mr. Torres --

A. Sure, sure.

Q. -- as far as you understood it, this was applicable to Mr.
Torres; correct?

1 A. Absolutely.

2 Q. Okay. If you look at page 9, under the category of "Step
3 Three - Board of Adjustment" --

4 A. I'm there.

5 Q. -- I think you were talking about that just a minute ago.

6 The second paragraph says, "A decision of the Board" -- again
7 referring to the Board of Adjustment -- "must be made within
8 ten (10) days of the close of its meeting."

9 "Should the Board be unable to arrive at a majority decision
10 within these ten (10) days, then a fifth, disinterested member
11 shall be chosen by the Board within fifteen (15) days of the
12 close of its meeting, and the majority decision, which shall be
13 reached within fifteen (15) days of the appointment of the fifth
14 member, shall be final and binding upon the parties."

15 So are you saying that the word "shall" with regards to the
16 selection of a fifth, disinterested member does not mean
17 "shall"?

18 A. No.

19 What I'm saying is that means if the union wants to go forward,
20 it shall go forward in that way.

21 Now, I guess if the -- if the employer wanted to go forward, it
22 could go forward in that way, too, but I doubt the employer
23 would ever want to go forward.

24 But "shall" -- that's the process.

25 If the parties continue the process, that's what it will do, but the
26 union, after the Board, or at any time, has the right to seek
27 legal advice and determine whether or not to go on.

28 This is not a contract between Mr. Torres and the union, and
this is not a contract between Mr. Torres and American Water;
this is a contract between the union and American Water
(indicating).

Q. Right.

But if it was to be discretionary, that is if the selection of the
fifth, disinterested member was to be discretionary -- if the
parties had discretion on whether to do that, they could have
put it into the agreement itself; right?

They could have inserted that language?

.....

1 THE WITNESS: I would like to know . . . how you would do that
2 because this is -- if it was permissive, then the employer
3 wouldn't have to go -- the employer wouldn't have to go to the
-- they would be permitted or not seek a fifth, disinterested
person; right?

4 So let's say the Board locks, and you were going to use some
5 language like this -- it's the same thing; they may go to
6 arbitration, and then the employer would say, "No, we don't
want to go."

7 BY [Plaintiff's counsel]:

8 Q. Well, there could have been language inserted saying that
this decision is discretionary on the part of the union; correct?

9

10 THE WITNESS: And it's just not -- that's not the way things are
11 done . . . ; I've never seen that in a contract.

12 And the parties understand -- the parties know what this
13 means. You may not, but the parties understand what this
means.

14 It's -- it's clear what this means (indicating).

15 [Plaintiff's counsel]: Well, I'm --

16 THE WITNESS: [E]very contract that has an arbitration clause
17 says that it shall be submitted to arbitration for a binding
decision.

18 I don't know how many labor arbitrations you've done . . . ,
19 under a Collective Bargaining Agreement, but under your
20 theory, every time I tell them not to go to arbitration, that would
be an Unfair Labor -- or a failure to represent -- a violation of
the duty of fair representation because all contracts say you
"shall" go to the arbitration.

21 If they said you can and the parties are permitted, the employer
22 would never do it.

23 This is how they are written, just go look at any Collective
Bargaining Agreement

24 Id., ¶ 9, Ex. 8 at 50:7-61:23.

25 On June 23, 2020, the Company received a demand for arbitration submitted by
26 Plaintiff's private counsel. On June 29, 2020, the Company rejected the demand as
27 untimely and considered the grievance withdrawn. On November 9, 2020, Plaintiff
28 initiated this lawsuit.

STANDARD

The Federal Rules of Civil Procedure provide for summary judgment when “the movant shows that there is no genuine dispute as to any material fact and the movant is entitled to judgment as a matter of law.” Fed. R. Civ. P. 56(a); see also Celotex Corp. v. Catrett, 477 U.S. 317, 322 (1986). One of the principal purposes of Rule 56 is to dispose of factually unsupported claims or defenses. Celotex, 477 U.S. at 325.

Rule 56 also allows a court to grant summary judgment on part of a claim or defense, known as partial summary judgment. See Fed. R. Civ. P. 56(a) (“A party may move for summary judgment, identifying each claim or defense—or the part of each claim or defense—on which summary judgment is sought.”); see also Allstate Ins. Co. v. Madan, 889 F. Supp. 374, 378–79 (C.D. Cal. 1995). The standard that applies to a motion for partial summary judgment is the same as that which applies to a motion for summary judgment. See Fed. R. Civ. P. 56(a); State of Cal. ex rel. Cal. Dep’t of Toxic Substances Control v. Campbell, 138 F.3d 772, 780 (9th Cir. 1998) (applying summary judgment standard to motion for summary adjudication).

In a summary judgment motion, the moving party always bears the initial responsibility of informing the court of the basis for the motion and identifying the portions in the record “which it believes demonstrate the absence of a genuine issue of material fact.” Celotex, 477 U.S. at 323. If the moving party meets its initial responsibility, the burden then shifts to the opposing party to establish that a genuine issue as to any material fact actually does exist. Matsushita Elec. Indus. Co., Ltd. v. Zenith Radio Corp., 475 U.S. 574, 586–87 (1986); First Nat’l Bank v. Cities Serv. Co., 391 U.S. 253, 288–89 (1968).

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1 In attempting to establish the existence or non-existence of a genuine factual
2 dispute, the party must support its assertion by “citing to particular parts of materials in
3 the record, including depositions, documents, electronically stored information,
4 affidavits[,] or declarations . . . or other materials; or showing that the materials cited do
5 not establish the absence or presence of a genuine dispute, or that an adverse party
6 cannot produce admissible evidence to support the fact.” Fed. R. Civ. P. 56(c)(1). The
7 opposing party must demonstrate that the fact in contention is material, i.e., a fact that
8 might affect the outcome of the suit under the governing law. Anderson v. Liberty Lobby,
9 Inc., 477 U.S. 242, 248, 251–52 (1986); Owens v. Local No. 169, Assoc. of W. Pulp and
10 Paper Workers, 971 F.2d 347, 355 (9th Cir. 1992). The opposing party must also
11 demonstrate that the dispute about a material fact “is ‘genuine,’ that is, if the evidence is
12 such that a reasonable jury could return a verdict for the nonmoving party.” Anderson,
13 477 U.S. at 248. In other words, the judge needs to answer the preliminary question
14 before the evidence is left to the jury of “not whether there is literally no evidence, but
15 whether there is any upon which a jury could properly proceed to find a verdict for the
16 party producing it, upon whom the onus of proof is imposed.” Anderson, 477 U.S. at 251
17 (quoting Improvement Co. v. Munson, 81 U.S. 442, 448 (1871)) (emphasis in original).
18 As the Supreme Court explained, “[w]hen the moving party has carried its burden under
19 Rule [56(a)], its opponent must do more than simply show that there is some
20 metaphysical doubt as to the material facts.” Matsushita, 475 U.S. at 586. Therefore,
21 “[w]here the record taken as a whole could not lead a rational trier of fact to find for the
22 non-moving party, there is no ‘genuine issue for trial.’” Id. at 587.

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1 In resolving a summary judgment motion, the evidence of the opposing party is to
2 be believed, and all reasonable inferences that may be drawn from the facts placed
3 before the court must be drawn in favor of the opposing party. Anderson, 477 U.S. at
4 255. Nevertheless, inferences are not drawn out of the air, and it is the opposing party's
5 obligation to produce a factual predicate from which the inference may be drawn.
6 Richards v. Nielsen Freight Lines, 602 F. Supp. 1224, 1244–45 (E.D. Cal. 1985), aff'd,
7 810 F.2d 898 (9th Cir. 1987).

8 ANALYSIS

9
10 Plaintiff alleges in his Complaint that: (1) the Union breached its duty of fair
11 representation by failing to properly investigate Plaintiff's grievance, by failing to pursue
12 appointment of a fifth impartial BOA member, and by failing to pursue Plaintiff's
13 grievance in arbitration; and (2) the Company breached the CBA by terminating Plaintiff
14 without just cause, by failing to allow Plaintiff to pursue his grievance to a legitimate
15 conclusion, and by failing to take steps to secure appointment of a fifth BOA member.

16 Presently before the Court is the Company's Motion for Summary Judgment, in
17 which the Union joined. Defendants move for judgment on the basis that: (1) the claim
18 against the Union is time barred because Plaintiff was made aware that the Union would
19 not further pursue his grievance on May 7, 2020, when the Union claims it so advised
20 him, but he waited until over six months later to file this lawsuit; (2) that claim fails in any
21 event because the Union's decisions were not arbitrary, discriminatory, or in bad faith;
22 and (3) the Company did not violate the CBA by terminating Plaintiff because he was an
23 at-will employee, but regardless, even if a good cause or just cause requirement was
24 implied in the CBA, his termination met that standard as well.

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1 The basis for bringing actions like this one is well settled:

2 It has long been established that an individual employee may
3 bring suit against his employer for breach of a collective
4 bargaining agreement. Smith v. Evening News Assn., 371
5 U.S. 195 (1962). Ordinarily, however, an employee is required
6 to attempt to exhaust any grievance or arbitration remedies
7 provided in the collective bargaining agreement. Republic
8 Steel Corp. v. Maddox, 379 U.S. 650 (1965); cf. Clayton v.
9 Automobile Workers, 451 U.S. 679 (1981) 164 (exhaustion of
10 intra-union remedies not always required). Subject to very
11 limited judicial review, he will be bound by the result according
12 to the finality provisions of the agreement. See W.R. Grace &
13 Co. v. Local 759, — U.S. —, at —, 103 S. Ct. —, at
14 —, 75 L.Ed.2d —; Steelworkers v. Enterprise Corp., 363
15 U.S. 593 (1960). In Vaca and Hines, however, we recognized
16 that this rule works an unacceptable injustice when the union
17 representing the employee in the grievance/arbitration
18 procedure acts in such a discriminatory, dishonest, arbitrary,
19 or perfunctory fashion as to breach its duty of fair
20 representation. In such an instance, an employee may bring
21 suit against both the employer and the union, notwithstanding
22 the outcome or finality of the grievance or arbitration
23 proceeding. Vaca v. Sipes, 386 U.S. 171 [(1967)]; Hines v.
24 Anchor Motor Freight, 424 U.S. 554 [(1976)] ; [United Parcel
25 Service, Inc. v.] Mitchell, 451 U.S. 56 [(1981)], Bowen v.
26 United States Postal Service, 459 U.S. 212 [(1983)]; Czosek
27 v. O'Mara, 397 U.S. 25 (1970). Such a suit, as a formal matter,
28 comprises two causes of action. The suit against the employer
rests on [29 U.S.C.] § 301, since the employee is alleging a
breach of the collective bargaining agreement. The suit
against the union is one for breach of the union's duty of fair
representation, which is implied under the scheme of the
National Labor Relations Act. "Yet the two claims are
inextricably interdependent. 'To prevail against either the
company or the Union, . . . [employee-plaintiffs] must not only
show that their discharge was contrary to the contract but must
also carry the burden of demonstrating a breach of duty by the
Union.'" Mitchell, 451 U.S. at 66–67 (Stewart, J., concurring in
the judgment), quoting Hines, 424 U.S. at 570–571. The
employee may, if he chooses, sue one defendant and not the
other; but the case he must prove is the same whether he sues
one, the other, or both. The suit is thus not a straightforward
breach of contract suit under § 301 . . . , but a hybrid § 301/fair
representation claim, amounting to "a direct challenge to 'the
private settlement of disputes under [the collective-bargaining
agreement].'" Mitchell, 451 U.S. at 66 (Stewart, J., concurring
in the judgment), quoting [Auto Workers v.] Hoosier, 383 U.S.
[696,] 702 [(1966)].

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1 Del Costello v. Int'l Brotherhood of Teamsters, 462 U.S. 151, 163-65 (1983) (footnote
2 omitted). Because the Court concludes both that the Company did not breach the CBA
3 and that the Union did not breach its duty of fair representation, it holds that Defendants
4 are entitled to judgment as a matter of law. There is no need for the Court to resolve
5 whether this action is timely.

6 **A. Breach of contract**

7 Plaintiff contends that the Company violated an implied covenant in the CBA that
8 limits the Company's right to dismiss employees only on a finding of "just" or "good"
9 cause because his termination was tainted by Stahl's credibility issues and insufficient
10 facts to support the decision, especially given his long record of excellent service. In
11 addition, according to Plaintiff, the conduct alleged is insufficient to rise to the level of
12 sexual harassment because it was not sufficiently unwelcome under a reasonable
13 person standard, and it was not severe or pervasive. For its part, the Company asserts
14 that it has the express right to manage its affairs, that Plaintiff's employment was "at-
15 will," and that, in any event, the Company had good cause to discharge Plaintiff.

16 There is evidence in the record that, despite the lack of an explicit cause provision
17 set forth in the CBA, the parties proceeded as if such a clause existed. Several
18 individuals so testified, and the existence of the grievance procedure seems to indicate
19 the parties anticipated terminations would occur only for specified reasons. On the other
20 hand, the CBA contains clear language that "[t]he Company has and will retain the
21 exclusive right and power to manage its business and direct the working forces,
22 including the right to hire, classify, grade, suspend, reassign, lay-off, discharge, promote,
23 demote or transfer its employees, provided it does not conflict with the provisions of this
24 Agreement." St. Clair Decl., ECF No. 22-3, ¶ 14; ECF No. 22-4, Ex. 13. This language
25 contradicts the theory that a just cause finding is necessary. The Court need not resolve
26 this issue, however, because, as argued by Defendants, even assuming a cause
27 requirement existed, Plaintiff's termination was justified.

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1 “The substantive law in a Section 301 suit for breach of a CBA is federal common
2 law.” Mills v. Intermountain Gas Co., 857 F. Supp. 2d 1034, 1046 (D. Idaho 2012).

3 “‘Just cause’ is the embodiment of what is ‘fair and reasonable, when all of the
4 applicable facts and circumstances are considered.’” Id. (quoting Power v. Kaiser
5 Found. Health Plan of the Mid-Atlantic States, Inc., 87 F. Supp. 2d 545, 555 (E.D. Va.
6 2000)). The Company’s decision here was fair and reasonable as a matter of law.

7 Upon being notified of Stahl’s allegations, a meeting was immediately set up with
8 Coleman and Baril, who thereafter referred the matter to Russo, a properly trained and
9 uninvolved human resources professional. Russo conducted a thorough investigation,
10 interviewing multiple individuals and collecting evidence, and provided Plaintiff notice
11 and the opportunity to contradict Stahl’s allegations. Her conclusion that the allegations
12 were substantiated was reasonable given the fact that Stahl’s version of facts was
13 substantiated by her contemporary statement to a Brett, her texts to her mother, and her
14 boyfriend’s message to Plaintiff.

15 The fact that Stahl’s recollection of inconsequential facts not central to her
16 allegations changed as her memory was refreshed (e.g., initially reporting the wrong
17 date and not remembering if she and Plaintiff were looking at vacation photos or photos
18 of motorcycles) does not change the Court’s conclusion. Nor is it dispositive that Stahl
19 could not produce records to show whether Plaintiff had called her on her day off at
20 some point or driven by her house. At base, the issue was that Plaintiff saw private
21 photos of Stahl, refused to return her phone, and continued to question her about the
22 photos until Plaintiff’s boyfriend reached out to him. Independent witnesses also testified
23 regarding Plaintiff’s behavior toward Stahl, and for his part Plaintiff has not offered any
24 independent evidence or any additional witnesses to contradict Stahl’s allegations.
25 Since Plaintiff simply denied all of the alleged conduct, even in the face of this
26 corroborating evidence, Russo was justified in determining Plaintiff lacked credibility.

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1 Moreover, nothing in the record suggests this investigation was conducted in bad
2 faith or that it was infected with bias. Plaintiff disagrees with Russo's conclusions, and
3 points to imperfections in the process, but perfection is not the standard, and
4 imperfections do not automatically suggest partiality. The Company gathered the
5 available evidence and reasonably evaluated it to determine that corroborating facts
6 supported the "she said" side of this dispute. Having reached this conclusion, it was
7 more than reasonable for the Company to conclude that Plaintiff had engaged in sexual
8 harassment and/or conduct that was "immoral or indecent" under its policies as set forth
9 above. Termination was thus reasonable.⁵

10 Plaintiff's argument that the conduct in this case does not rise to the level of
11 sexual harassment under federal sexual discrimination in employment standards (e.g.,
12 unwelcome to a reasonable person and sufficiently severe or pervasive) misses the
13 mark. The Court is not being asked to determine whether Plaintiff and/or the Company
14 can be held civilly liable for Stahl's harassment. The Court is thus not required to
15 determine what actually happened between Plaintiff and Stahl. Rather, the Court is
16 required only to determine whether the Company's conclusion that Plaintiff had violated
17 its policies was reasonable and, if so, whether that conduct provided just cause for
18 termination. The Court has already answered both questions in the affirmative.
19 Because Plaintiff cannot show that the Company violated the CBA, Defendants are
20 entitled to judgment.

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27 ⁵ Plaintiff's argument that other employees were not fired for engaging in similarly egregious
28 conduct is also unpersuasive. None of his examples included conduct that was actually on par with
Plaintiff's. Pointing to Plaintiff's eleven years of service is not helpful either because it does not justify
maintaining his employment after the Company determined he violated its "zero tolerance" policies.

B. Breach of the duty of fair representation

Even if that was not the case, however, the Court also concludes that Plaintiff cannot show that the Union breached its duty of fair representation. “To establish that a union breached its duty of fair representation, an employee must show that the union’s processing of the grievance was ‘arbitrary, discriminatory, or in bad faith.’” Slevira v. Western Sugar Co., 200 F.3d 1218, 1221 (9th Cir. 2000) (quoting Vaca, 386 U.S. at 190). “Mere negligence on the part of the union does not constitute a breach of the duty of fair representation.” Id.

Plaintiff contends the Union violated its duty of fair representation when: (1) it refused to pursue appointment of a fifth impartial BOA member; (2) the Union’s counsel based his legal opinion on the flawed investigation conducted by Russo; and (3) it failed to submit Plaintiff’s grievance to arbitration despite the mandatory language in the CBA. The Court has already concluded that the Company’s investigation was reasonable. It rejects Plaintiff’s remaining arguments as well.⁶

In general, the Union as to opposed to the individual employee decides which grievances to pursue to arbitration. The Supreme Court has explained why:

Though we accept the proposition that a union may not arbitrarily ignore a meritorious grievance or process it in perfunctory fashion, we do not agree that the individual employee has an absolute right to have his grievance taken to arbitration regardless of the provisions of the applicable collective bargaining agreement. In [Labor Management Relations Act (“L.M.R.A.”)] [§] 203(d), 61 Stat. 154, 29 U.S.C. [§] 173(d), Congress declared that “Final adjustment by a method agreed upon by the parties is the desirable method for settlement of grievance disputes arising over the application or interpretation of an existing collective-bargaining agreement.” In providing for a grievance and arbitration procedure which gives the union discretion to supervise the grievance machinery and to invoke arbitration, the employer and the union contemplate that each will endeavor in good faith to settle grievances short of arbitration. Through this settlement

⁶ Plaintiff does not appear to argue that the Union breached any duties up to the point the BOA deadlocked, which makes sense given that the Union zealously advocated for him until then. The Union re-assessed all of the facts gathered at that point, sought the opinion of counsel, and determined that pursuing the grievance in arbitration would almost certainly be fruitless, given the objective evidence corroborating Stahl’s allegations. The Court agrees with that assessment as well and concludes that the decision to abandon the grievance was not arbitrary, unreasonable, or made in bad faith.

1 process, frivolous grievances are ended prior to the most
2 costly and time-consuming step in the grievance procedures.
3 Moreover, both sides are assured that similar complaints will
4 be treated consistently, and major problem areas in the
5 interpretation of the collective bargaining contract can be
6 isolated and perhaps resolved. And finally, the settlement
process furthers the interest of the union as statutory agent
and as coauthor of the bargaining agreement in representing
the employees in the enforcement of that agreement. See
Cox, Rights Under a Labor Agreement, 69 Harv. L. Rev. 601
(1956).

7 If the individual employee could compel arbitration of his
8 grievance regardless of its merit, the settlement machinery
9 provided by the contract would be substantially undermined,
10 thus destroying the employer's confidence in the union's
11 authority and returning the individual grievant to the vagaries
12 of independent and unsystematic negotiation. Moreover,
13 under such a rule, a significantly greater number of grievances
14 would proceed to arbitration. This would greatly increase the
15 cost of the grievance machinery and could so overburden the
16 arbitration process as to prevent it from functioning
17 successfully. See NLRB v. Acme Industrial Co., 385 U.S. 432,
18 438; Ross, Distressed Grievance Procedures and Their
19 Rehabilitation, in Labor Arbitration and Industrial Change,
20 Proceedings of the 16th Annual Meeting, National Academy of
21 Arbitrators 104 (1963). It can well be doubted whether the
parties to collective bargaining agreements would long
continue to provide for detailed grievance and arbitration
procedures of the kind encouraged by L.M.R.A. [§] 203(d),
supra, if their power to settle the majority of grievances short
of the costlier and more time-consuming steps was limited by
a rule permitting the grievant unilaterally to invoke arbitration.
Nor do we see substantial danger to the interests of the
individual employee if his statutory agent is given the
contractual power honestly and in good faith to settle
grievances short of arbitration. For these reasons, we
conclude that a union does not breach its duty of fair
representation, and thereby open up a suit by the employee
for breach of contract, merely because it settled the grievance
short of arbitration.

22 Vaca, 386 U.S. at 191-92. Plaintiff contends this reasoning is inapplicable here where
23 the CBA states that in the event of a deadlocked BOA, a fifth member "shall" be chosen,
24 and then, if no fifth member can be agreed upon, the case "shall" proceed to arbitration.

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1 The problem with Plaintiff's argument is that it ignores the implied condition that
2 the Union has to make the decision to pursue the grievance further before invoking
3 those provisions. The document would make no sense if it required any grievance
4 pursued to the BOA and resulting in a deadlock to then be pursued in every case all the
5 way through arbitration. Indeed, the Union's counsel testified, and the Court quoted him
6 at great length above, as to the absurdity of this position.⁷ The Court agrees with Mr.
7 Provencher.

8 Mr. Provencher also testified that basically every arbitration provision is written
9 this way, namely utilizing seemingly mandatory terms as to the procedures to be
10 followed, but with the presumption that one party or both is electing to pursue resolution
11 of a disagreement. Stated another way, the mandatory terms go to the procedures to be
12 followed if the Union elects to move forward, but the decision to move forward in the first
13 place remains discretionary. The CBA in this case is an agreement between the
14 Company and the Union and the grievance provisions assume an ongoing dispute.
15 Nothing in the CBA, however, deprives the Union of the discretion to determine which
16 disputes to pursue or requires the Union to pursue disputes through arbitration even if,
17 during the course of the dispute, the Union determines a grievance is non-meritorious. A
18 contrary interpretation would put the Union in the position of having to continue to argue
19 frivolous claims simply because the Union undertook representation before all facts were
20 uncovered. Accordingly, because Plaintiff cannot show that the Union breached its duty
21 of fair representation, his claims fail on this ground as well.

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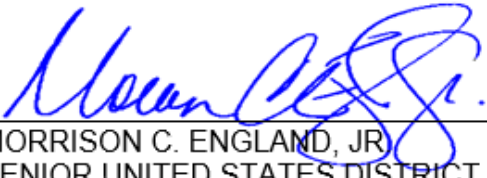
26 ⁷ To the extent Plaintiff argues that the Company was compelled by this contract language to
27 appoint a neutral fifth BOA member or to submit the grievance to arbitration, essentially to seek arbitration
28 against itself, it makes even less sense. The Union represents Plaintiff in the grievance process and takes
an adversarial position to the Company. Once the Union abandons a grievance, the Company no longer
has obligations under the CBA.

CONCLUSION

For the reasons stated, Defendants have shown that, based on the undisputed material facts, Plaintiff cannot establish his claims as a matter of law. Defendants' Motion for Summary Judgment (ECF No. 22) is thus GRANTED. The Clerk of the Court is directed to enter judgment for Defendants and to close this case.

IT IS SO ORDERED.

Dated: April 21, 2023


MORRISON C. ENGLAND, JR.
SENIOR UNITED STATES DISTRICT JUDGE